

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

September 24, 2001

Mr. Jack Strickland
Hampton Carter, LLC
4718 Lake Park Drive, Suite # 3
Johnson City, TN 37615

Re: Docket #00-00667
CCN for Hampton Carter, LLC

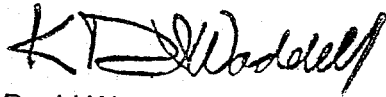
Dear Mr. Strickland:

The Staff needs further information in order to clarify some issues regarding the revised information given to us in connection with the above petition. Please supply the following information:

1. Provide projected annual balance sheets through May 31, 2006.
2. Provide a copy of the maintenance agreement between the utility and the City of Johnson City. Included in the agreement should provide a breakdown of what services will be performed and at what cost.
3. In the filing \$3,000 is listed as "Replacement/Repairs" per year. Provide a breakdown of what anticipated repairs are to be made during the year. Are any capitalized items included in this amount?
4. In the filing administrative costs are listed as an expense. Provide a detailed breakdown of what is included in that amount for each of the years contained in the filing.
5. In the petition lending commitments were included in the amount of \$250,000. Do you plan to acquire debt to finance the operations of the utility? If so, do you plan to amend the current petition to include the request for approval of debt as required by T. C. A. § 65-4-109?
6. How many customers are there estimated to be at buildout of the service area? Will there be any residential customers?

Please respond by October 5, 2001. If you have any questions regarding this letter, you may contact me at 1-800-342-8359, ext. 142. Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "David Waddell". The signature is stylized with a large, looped "D" and a cursive "Waddell".

David Waddell
Executive Secretary
Tennessee Regulatory Authority

c: Butch Phillips

eep01-46hamptoncarter